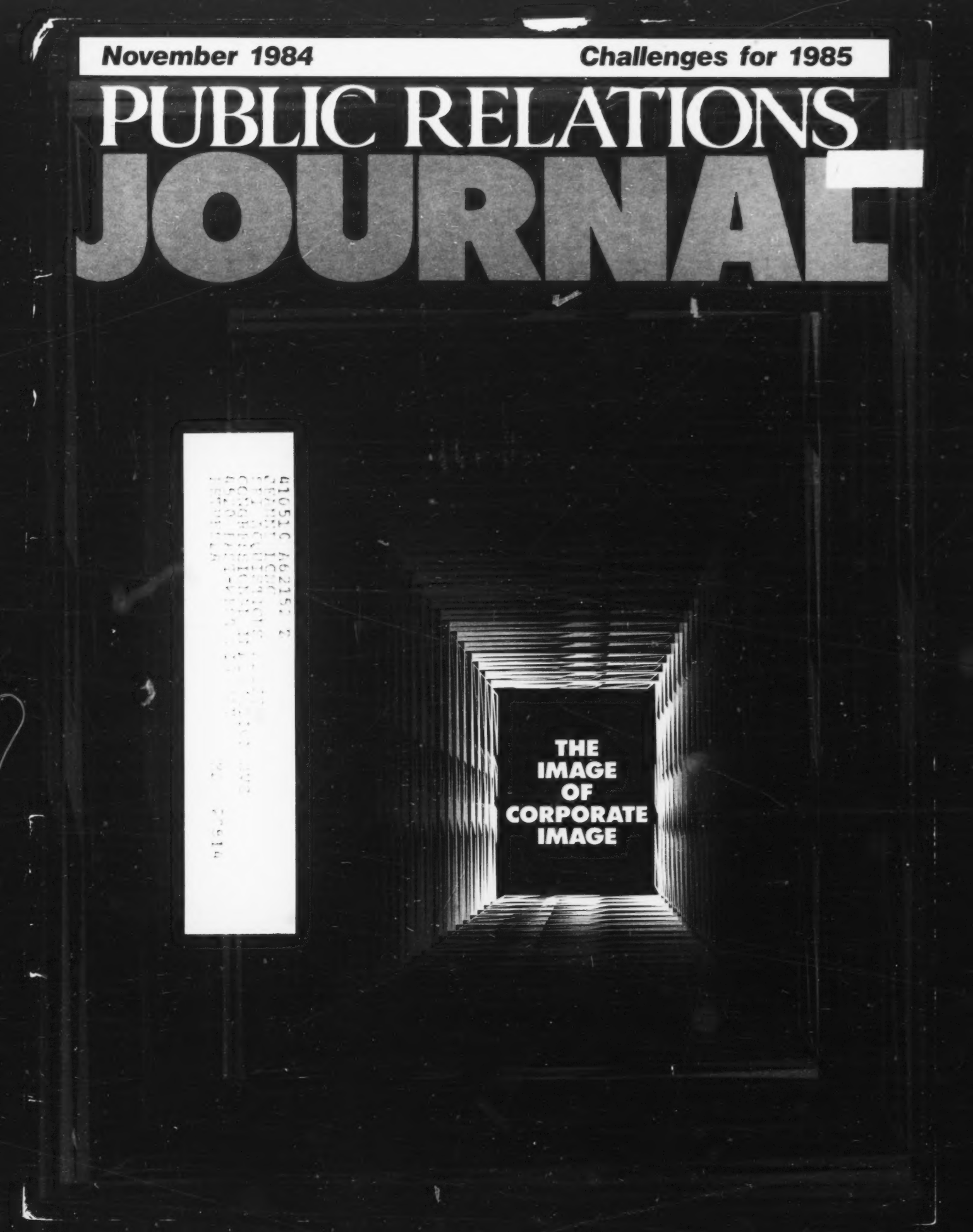
November 1984

Challenges for 1985

PUBLIC RELATIONS JOURNAL



November 1984 Vol. 40 No. 11

PUBLIC RELATIONS JOURNAL

The Public Relations Society of America (PRSA) is an individual-membership professional society of 11,800 public relations practitioners. Its major services to members include programs of Professional Development and Accreditation, an Information Center, publications, tracking of issues of national concern, and promotion of ethical practice through adherence to PRSA's "Code of Professional Standards." PRSA's mission is, "To serve the public need for understanding and cooperation among its diverse interests by fostering high professional and ethical standards for all those practicing public relations."

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PRSA Public Relations Society of America

ASSISTANT EDITOR
Jo Curran

GRAPHICS DIRECTOR
Susan Yip

TYPOGRAPHER
Alan J. Farb

SUBSCRIPTIONS
Jane Mollyneaux
212-826-1750

ADVERTISING SALES
Zoe Dictrow, Director
845 Third Avenue
New York, NY 10022
212-826-1766

Ray Ruffio, New England Representative
RJR/East
23 Edith Lane
Wilton, CT 06897
203-762-1132

Classified
212-826-1750

ABC

The **Public Relations Journal** (ISSN 0033-3670) is published monthly, except semi-monthly in September, by the Public Relations Society of America, 845 Third Ave., New York, NY 10022. The second issue in September is the **Directory** issue. Of the amount of dues paid by members of the Society, $14.00 is for a year's subscription to the **Journal**. Non-member domestic subscription rates: $28.00 a year; $51.00 for two years; $74.00 for three years. Foreign rates: $45.00 a year; $70.00 for two years; $95.00 for three years (all foreign rates include $15.00, which is correspondent's fee charged by U.S. banks to process foreign checks). Single copies $3.00 each. Second-class postage paid at New York, NY. **Postmaster:** Send address changes to the **Public Relations Journal**, 845 Third Ave., New York, NY 10022.

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Editorial offices: 845 Third Ave., New York, NY 10022, (212) 826-1757.

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Cover: *Helioptix design by Henry Ries*

Photo credit: Barron's *"Image of Corporate Image," pages 12, 14*

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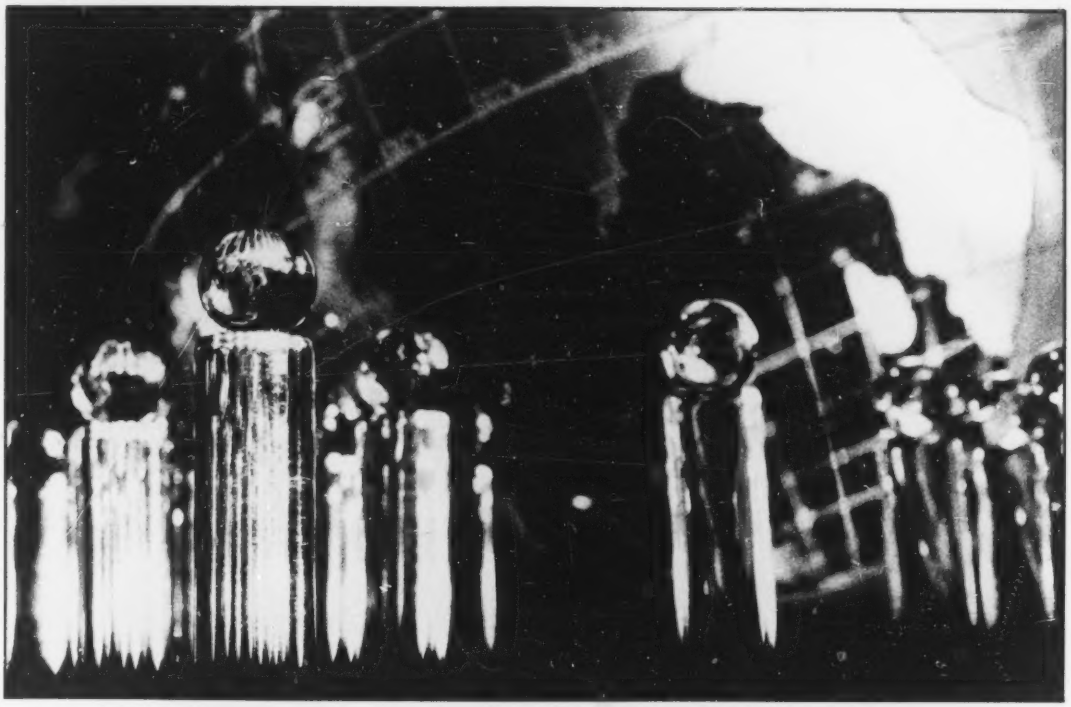


THE IMAGE OF CORPORATE IMAGE

Barron's survey of the financial community and company executives probes the pregnant question: Does the reality or illusion of positive corporate image pay off?

Pat Botwinick

CORPORATIONS annually invest over a billion dollars on corporate communications, primarily for image advertising in print and on television. By any standards, that is a major investment.

Does the reality or illusion of positive corporate image pay off? Is there an environment in which the targets of corporate communications are particularly responsive to the messages presented by corporate management? And what types of information are these targets seeking?

Ms. Botwinick is marketing services director, Dow Jones & Company, Inc. For a copy of the study, contact Marketing Services, Barron's, *420 Lexington Avenue, New York, NY 10170; or call (212) 808-6847.*

Earlier this year, *Barron's*, the weekly business and financial magazine published by Dow Jones & Co., Inc., New York City, sought answers to these questions by conducting a major original research project.

The results show what attracts, reassures, interests, persuades and moves target audiences. Further, results document *where* you can best reach the people most important to your company.

We mailed 5,382 questionnaires and 3,141 were completed by institutional and individual investors, brokers, corporate executives of companies with $500 million or more in annual sales, and investment bankers. Survey respondents are quite articulate about the advertising media and about the messages that move them. More than seven out of 10 of these business and financial decision makers perceive corporate advertising positively, and report that it helps determine their actions.

The value of image

Every sector of the business and financial community surveyed places a high degree of importance on corporate image. Sixty-seven percent of institutional investors and investment bankers and 84 percent of brokers feel corporate image is *very* important.

But does perceived value lead to action?

Three out of four respondents report that corporate image advertising has called their attention to, or led them to look into, a company's investment qualifications. However, the difference between

perception and action should be of significant interest and value to those trying to better understand the workings of corporate image advertising. Table 1 shows which groups report good corporate image to be very important, and which groups report that corporate image advertising has led them to look into a company's investment qualifications.

Corporate executives are enthusiastic about the need for and the value of corporate image advertising. This suggests they believe there is benefit; a measure of positive return on their investment. However, they say they are the least likely to act on image advertising done by themselves or others.

While institutional investors and investment bankers are the least likely to credit corporate image with affecting the value of securities, the research shows that large numbers of them have investigated a company's investment qualifications as a result of corporate advertising.

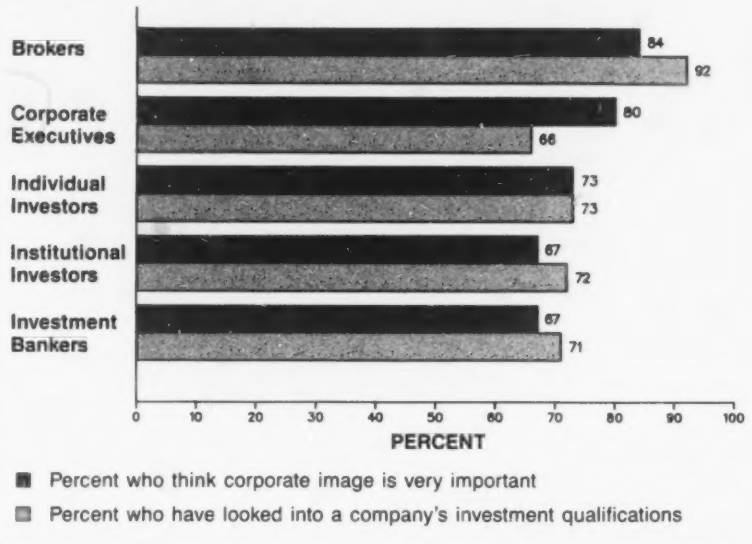
Brokers, the group most willing to acknowledge value in corporate image advertising, are the ones who most look to corporate advertising for leads. In fact, nine out of 10 have investigated a company's investment qualifications because of image advertising.

The *Barron's* research quantifies that corporate image advertising can favorably affect the business and financial communities *and* the value of a company's securities.

Has investigation of a company's securities led to a purchase?

The majority of the study group (82 percent) say yes. And, while this is a *de facto* report of those who manage

Table 1: Good Corporate Image Relative To Investigation Of Investment Qualifications



millions, it seems prudent to accept the results by better understanding the value of image, rather than attempting to place a monetary figure on it.

Medium and message

The medium nominated as providing the best climate for response-oriented image advertising is print—specifically, business and financial publications. The margin is two to one over newsweekly publications, and slightly less than two to one over TV [*see Table 2*].

Print—primarily business and financial editorial environments—has been the testing ground and mainstay of most corporate campaigns, particularly those designed to evoke action. Many campaigns aimed at adding awareness have used mass media, notably TV.

Individuals seek diverse information in corporate advertising. But of particular importance to corporate advertising audiences is the role of *new product and service* announcements. Better than 80 percent of respondents value this type of information, compared with 63 percent for "use of new technology," 62 percent

Table 2: Best Media Climate
(Percent responding)

	Total Respondents	Individual Investors	Corporate Executives	Brokers	Institutional Investors	Investment Bankers
Business/Financial Publications	90	88	89	89	92	92
Weekly News Magazines	47	53	51	47	45	37
Television	43	43	42	57	38	39
Local Newspapers	20	28	21	22	15	16
Special Interest Magazines	11	11	11	13	11	10
General Interest Magazines	11	9	11	12	12	12
Radio	9	9	6	11	9	9

Note: Percentages total more than 100 percent because of multiple answers.

Table 3: Effectiveness of Corporate Campaign
(Percent responding)

	Total Respondents	Individual Investors	Corporate Executives	Brokers	Institutional Investors	Investment Bankers
Awareness of company has increased in line with company's objectives	62	57	66	56	65	65
Investors are requesting more information (coupons, WATS line, etc.)	59	60	50	64	59	61
Customers and prospects are talking about the advertising	57	58	61	59	58	52
More analysts are following the company	50	52	49	49	49	54
More institutions are purchasing the stock	38	41	41	42	34	38
Stock price has risen	26	35	28	32	17	22
Other	4	5	3	4	4	3

Note: Percentages total more than 100 percent because of multiple answers.

for "changes in earnings," and 51 percent for "acquisitions/mergers." "Position regarding topical social issues" ranks last with 12 percent indicating interest.

The primary audiences

Who should be getting these messages?

Most everyone in the sample believes corporate communications are best directed to the target groups of business executives and individual investors (with 64 percent of respondents each). While the number and diversity of corporate advertising target audiences have increased in recent years, five out of the top six audiences selected by the total group represent the traditional targets of corporate advertising: the influentials in the business and financial communities.

Customers are considered a primary target by 53 percent of respondents, followed by financial analysts (50 percent), portfolio managers (49 percent), stock brokers (43 percent), and employees (41 percent). Trailing the pack are investment bankers (31 percent), the press (29 percent), opinion leaders (27 percent), Congress (15 percent), local politicians (10 percent), union leaders (8 percent), and university professors (6 percent).

Perhaps one of the most elusive yet vitally important aspects of a corporate

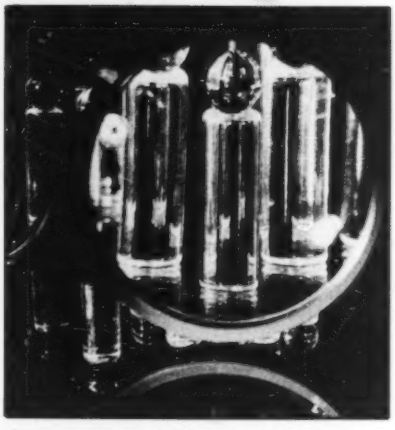


image program is the creative treatment of the message. All of the key audiences are familiar with the building blocks of corporate advertising, and respond to particular formats based on the information they seek. A clear majority say they respond to concise information (short copy); three out of four say they respond to a distinctive headline. Further, less than half say they respond to the remaining creative elements. Just over 40 percent respond to use of photographs; 35 percent say that illustrations help. Only one in ten is encouraged to look at, read or respond to an advertisment that contains a coupon or other response device, and about the same number is encouraged by customer endorsements.

Evaluating results

What are the signs that a corporate advertising campaign is working?

Certainly, no group would take a harder look at the results of dollars invested in corporate advertising than the target audiences in the survey. Six out of 10 respondents consider a corporate advertising program successful if awareness of the company is increased, while more than half would examine the number of requests coming from investors. Following closely behind these top two responses, 57 percent say that a campaign is working if customers and prospects are talking about the advertising.

Many will agree that the art of corporate communication is still in the age of exploration.

As target audiences are subjected to a continuous flow of information from a proliferation of sources, the way they perceive a corporate message—and the company behind it—can change.

In this billion-dollar-plus arena, the art of communicating must be constantly updated to meet shifting perceptions of knowledgeable and demanding audiences. ■

CORPORATE ADVERTISING COSTS

The *Journal*'s 13th annual survey of corporate ad expenditures in six media shows a 13.3 percent increase in 1983 for companies and a 26.1 percent hike for trade associations

COMPANY corporate advertising expenditures in six media increased 13.3 percent in 1983 over 1982, while trade association outlays increased 26.1 percent, according to the *Public Relations Journal*'s 13th annual survey of corporate advertising expenditures.

Company spending, as *PRJ* tracks it, increased steadily between 1977 and 1980, plateaued in 1981, and dropped back in 1982 [*see Table 1, page 24*]. The drop in 1982, although not dramatic, was the first decrease of any significance since 1975, when company spending dipped 6 percent. Of the six media surveyed—consumer magazines, network television, spot TV, radio, Sunday magazine supplements, and outdoor advertising—companies cut back spending in four categories: Sunday supplements, down nearly 45 percent in 1983 after a 44.3 percent gain in 1982; spot TV, off some 10 percent following a 30.4 percent drop in 1982; radio, down 13.5 percent after a whopping 42 percent gain the year before; and outdoor advertising, down some 8 percent after gaining 38 points in 1982.

Only one medium—network TV—showed a substantial gain in company corporate advertising dollars in 1983, jumping 31.4 percent. Consumer magazines registered a modest 6.9 percent gain.

PRJ's figures for 1977-83 show that the media companies consistently have favored for their corporate messages are consumer magazines and network TV. Spot TV continues in third place despite downturns two years in succession. These spending preferences continued into 1983, with network TV cornering some 43 percent of aggregate 1983 company outlays. Consumer magazines, including such business publications as *Business Week*, *Fortune*, *Forbes*, and *Dun's Business Month*, got the biggest piece of the pie—48 percent of total company dollars in six media despite a modest increase in 1983.

Associations relied most heavily on these same three media in 1983, but in reverse order: Spot TV commanded 59.5 percent of total association six-media dollars, and spot spending was up 34.5 percent last year; network TV got a 20.5 percent share of the total and a more than 16 percent increase over 1982; consumer magazines, associations' third preference, dropped slightly from the previous year.

Associations' 1983 expenditures in other media showed Sunday magazines up a substantial 55 percent, radio up over 40 percent, and outdoor up an amazing 127.8 percent.

Data for *PRJ*'s annual survey are compiled exclusively for the *Journal* by Leading National Advertisers (New York). Data are collected from Publishers Advertising Reports (magazines and supplements), Broadcast Advertising Reports, and the Institute of Outdoor Advertising. Outdoor expenditures represent national poster and paint advertising in plant operator markets of over 100,000 population. Spot TV expenditures are determined by monitoring 260 stations in 75 top markets.

Since figures are for one-time rates and do not take discounts into consideration, they are higher than actual expenditures. It also must be considered that often it is difficult to determine which advertisements are corporate.

The top ten

The top 10 company corporate advertisers for 1983 [*Table 2, page 25*] together invested some $222 million in corporate advertising, 28.9 percent more than in 1982. The list includes five companies in high technology, three in automotive and one in chemicals.

AT&T heads the top 10, jumping from 2nd in 1982. AT&T is followed by Ford Motor Company, which stepped down from number one in 1982. Among the companies in high-tech industries, GTE held onto 6th place, IBM remained in 4th, and IT&T advanced to 9th from 10th in 1982. Xerox, 8th in 1982, did not make the top 10. Oil companies Shell and Phillips Petroleum dropped out of the top

[*Continued on page 22*]

10 after being 5th and 7th respectively in 1982, and Chrysler Corporation, General Electric Company and Santa Fe Pacific Corporation came in in the 5th, 7th and 9th spots respectively. Du Pont dropped to 10th from 9th in 1982.

Only ITT of the top 10 companies cut back total corporate advertising spending in 1983, and two media showed substantial gains over 1982: Sunday magazines, up 17.4 percent; and network TV, 45.8 percent over 1982.

The top 10 association corporate advertisers [*Table 3, page 25*] collectively spent $185.3 million in six media in 1983, 30.3 percent more than in 1982. In individual media, last year associations increased consumer magazine outlays by 124.7 percent over 1982, Sunday magazines by 435.3 percent, spot TV expenditures by 29.8 percent, and outdoor by 154 percent. American Dairy Association, the sole radio advertiser among the top 10 for the past three years, expanded spending in that medium by 115.9 percent. Associations clamped down slightly in network TV, cutting back by 4 percent.

The rundown for last year's top 10 associations was dominated by automotive dealers. General Motors Corporation Dealer Associations led the pack, and have since 1977, according to *PRJ*'s annual surveys. New to the top 10 in 1983 were the Commonwealth of Puerto Rico (7th) and American Motors Corporation Dealers Associations (10th). Subaru Dealer Associations (7th in 1982) and Toyota Dealers Associations (10th) did not make a showing in 1983.

Trends for 1984

The purchase of Leading National Advertisers earlier this year by Publishers Advertising Reports has delayed availability of corporate advertising expenditures for the first half of 1984, which would have appeared in this report. However, the following synopsis, based on comments by industry sources and the *Journal*'s observations, should provide readers with good insight into current spending and tactical trends.

Corporate advertising expenditures by companies and associations for this year can be expected to exceed $950 million. That would represent an increase of ap-

proximately 20 percent over 1983 in the same six media.

Indications are that the larger the corporation, the more apt it is to use, and spend on, corporate advertising. Consider these findings: About half (51 percent) of the *Fortune* 500 corporations engage in some form of corporate advertising; of the top 50 companies, 48 (96 percent) use corporate advertising; for companies ranked 100 to 200, that figure is 39 (78 percent); of companies ranked 200 to 300, 68 (68 percent) use corporate advertising.

The post-recession period has seen a number of changes in the way corporate advertising is used:

- Advocacy advertising is not as prevalent as in the past, possibly because the Reagan Administration has created more favorable conditions for business.
- Corporate advertising addressed to individual investors has increased in response to a number of forces, including greater competition for equity dollars from IRAs and other investment opportunities, competition for broker attention, the rise of the discount broker, and competition for analysts' attention in the face of increasing demands on their time.
- Market preparation advertising is on the rise. The trend, which began in the recent recession as an economy measure, is continuing in many industries. It accounts for a shift among the major corporate advertising players. For example, as Table 2 shows, the automotive field has topped the oil industry in corporate ad expenditures. Heavy industry and metals, once the principal users of corporate advertising, cut back throughout the recession and are coming back slowly. They have been superseded by electronic and high-tech companies as major users of this form of advertising, an observation borne out by *PRJ*'s survey.

Corporate advertising dollar volume is growing more rapidly in 1984 than in any previous year. Evidence to support this statement is everywhere.

1. Business publications are reporting major increases in corporate advertising over last year. Their estimates range from 18 percent to over 50 percent.

2. Companies that stopped their corporate advertising during the recession have resumed it in large numbers. Just a few well-known names that have returned: National Gypsum, McDonnell Douglas, Textron, American Can, International Harvester, Champion and Lockheed.

3. New (first-time) corporate advertisers include: Hughes, Eli Lilly, Schering Drug, Compaq, Core, Household International, Martin-Marietta, Unidynamics, HCA, Bradford, MSA, Datapoint, General Data, American Standard, M.A.B., Stanley, Grow Group, Crownx, Fansteel, Inland Steel, Armco, R.J. Reynolds, Fort Howard, RCA.

4. Whole industries seem to be taking to the technique, including all the new telephone companies, software manufacturers, pharmaceuticals (Pfizer, Upjohn, Eli Lilly and Schering all within the last two years) and food (*e.g.*, Frito-Lay and Beatrice).

5. Foreign companies are beginning to introduce themselves to potential partners, investors and customers through corporate advertising. To name a few: Daewood, Aerospatiale, Costain, Sarpem, Fujitsu, Henkel, Hitachi, Krupp, Lucky-Goldstar, Mazda, Matsushita, Kemira, Pechiney, Phillips, Veba, Seimen and Ericcson.

6. Company subsidiaries are beginning to run corporate advertising campaigns on their own. That may seem odd, but that is what's happening. Electronics trade magazines, for example, are loaded with the corporate advertisements of subsidiaries that talk about their companies, their capabilities, their services and reputations, rather than their products. Subsidiaries currently running campaigns include Arco Metals, Sunoco, Amoco Chemicals, Shell Chemicals, and McCormack & Dodge. ■

[*Continued on page 24*]

Table 1: Six-Media Advertising Expenditures, 1977-1983

Company Advertising (in $ thousands)

	1977	1978	Percent Change	1979	Percent Change	1980	Percent Change	1981	Percent Change	1982	Percent Change	1983	Percent Change
Consumer magazines	$133,362.6	$155,025.4	16.2%	$197,641.5	(27.5%)	$217,869.7	10.2%	$249,152.0	14.3%	$205,300.1	(17.6%)	$219,521.7	6.9%
Sunday magazines	5,750.6	3,908.7	(32.0%)	6,152.5	57.4%	4,310.3	(30.0%)	5,264.1	22.1%	7,593.8	44.3%	4,205.5	(44.6%)
Network television	125,157.8	138,214.0	10.4%	152,551.3	10.4%	159,947.3	5.0%	118,794.7	(25.7%)	150,102.9	26.4%	197,267.9	31.4%
Spot television	61,420.4	31,903.3	(48.1%)	31,366.7	(1.7%)	39,260.1	25.1%	40,395.2	2.9%	28,118.1	(30.4%)	25,201.6	(10.4%)
Radio	2,897.5	1,210.9	(58.2%)	5,700.0	370.7%	7,409.7	30.0%	7,866.4	6.2%	11,175.2	42.1%	9,661.0	(13.5%)
Outdoor	679.1	454.0	(33.1%)	452.8	(.3%)	470.7	4.0%	665.2	41.3%	918.0	38.0%	843.0	(8.2%)
Six-media totals	$329,268.0	$330,716.3	0.4%	$393,864.8	19.1%	$429,267.8	9.0%	$422,137.6	(1.6%)	$403,208.1	(4.5%)	$456,700.7	13.3%

Association Advertising (in $ thousands)

	1977	1978	Percent Change	1979	Percent Change	1980	Percent Change	1981	Percent Change	1982	Percent Change	1983	Percent Change
Consumer magazines	$25,561.3	$32,575.8	27.4%	$45,919.5	41.0%	$48,359.6	5.3%	$ 46,222.8	(4.4%)	$46,479.7	0.6%	$ 46,059.4	(0.9%)
Sunday magazines	1,292.0	913.3	(29.3%)	2,396.5	162.4%	2,540.8	6.0%	1,918.4	(24.5%)	2,301.4	20.0%	3,569.3	55.1%
Network television	36,886.1	33,951.6	(7.9%)	33,164.3	(2.3%)	48,941.0	47.6%	50,125.4	2.4%	60,286.5	20.3%	70,001.7	16.1%
Spot television	75,702.2	86,280.1	13.9%	99,240.9	15.0%	89,511.8	(10.0%)	119,014.1	32.9%	150,763.0	(26.7%)	202,838.6	34.5%
Radio	1,129.9	1,409.4	24.7%	2,332.5	65.5%	4,996.8	114.2%	6,130.6	22.7%	6,365.8	3.8%	8,968.7	40.9%
Outdoor	4,514.6	4,960.5	9.9%	4,204.9	(15.2%)	3,878.2	(8.0%)	4,566.7	17.7%	4,213.9	(7.7%)	9,600.5	127.8%
Six-media totals	$145,086.1	$160,090.7	10.3%	$187,258.6	17.0%	$198,228.2	6.0%	$227,978.0	15.0%	$270,410.3	18.6%	$341,038.2	26.1%

Table 2: Ten Leading Company Advertisers
January-December 1983—In dollar (thousands) rank order

	Six-Media Totals	Consumer Magazines	Sunday Magazines	Network TV	Spot TV	Radio	Outdoor
American Telephone & Telegraph Co.	$ 79,571.4	$24,866.5	$ 612.4	$ 52,924.2	$ 449.8	$ 717.6	$ 1.3
Ford Motor Co.	38,352.8	14,380.4	—	20,714.3	2,382.7	875.4	—
General Motors Corp.	33,211.5	13,630.9	134.2	15,687.0	1,783.7	1,971.8	3.8
International Business Machines Corp.	18,073.8	5,267.9	404.4	11,823.8	128.5	449.2	—
Chrysler Corp.	10,462.8	4,132.0	—	6,272.0	58.5	—	—
GTE Corp.	10,177.5	4,165.3	—	5,992.7	20.5	—	—
General Electric Co.	8,921.2	1,103.3	23.5	7,561.1	216.2	—	17.1
International Telephone & Telegraph Corp.	7,878.6	3,922.8	109.3	3,718.2	11.7	116.6	—
Santa Fe Southern Pacific Corp.	7,853.0	1,856.0	—	5,997.0	—	—	—
E.I. Du Pont De Nemours & Co., Inc.	7,479.5	41.3	—	7,413.7	23.6	—	0.9
Totals	$221,982.1	$73,366.4	$1,283.8	$138,104.0	$5,075.5	$4,130.6	$23.1

Table 3: Ten Leading Association Advertisers
January-December 1983—In dollar (thousands) rank order

	Six-Media Totals	Consumer Magazines	Sunday Magazines	Network TV	Spot TV	Radio	Outdoor
General Motors Corp. Dealer Associations	$ 56,363.8	—	—	—	$ 55,806.1	—	$ 557.7
Nissan Motor Co., Ltd. Dealer Associations	24,126.7	—	—	—	23,841.8	—	284.9
State of Florida	19,185.8	$ 2,119.9	—	$14,510.8	2,555.1	—	—
Ford Motor Co. Dealer Associations	18,466.7	—	—	—	15,694.8	—	2,771.9
American Dairy Association	18,139.0	167.6	$134.3	4,531.9	11,376.0	$1,714.9	214.3
Chrysler Corp. Dealer Associations	12,894.3	—	—	—	11,922.0	—	572.3
Commonwealth of Puerto Rico	9,304.3	8,768.4	305.3	—	—	—	230.6
American Gas Association, Inc.	9,247.3	4,941.7	—	3,922.6	377.2	—	5.8
National Federation of Coffee Growers	8,835.3	1,153.9	51.8	6,492.8	1,136.8	—	—
American Motors Corp. Dealer Associations	8,745.4	—	—	—	8,271.4	—	474.0
Totals	$185,308.6	$17,151.5	$491.4	$29,458.1	$130,981.2	$1,714.9	$5,111.5

ANNUAL REPORT CREDIBILITY

Survey of individual and professional investors reveals they distrust what they read in annual reports and believe that bad news and problems are often hidden or omitted

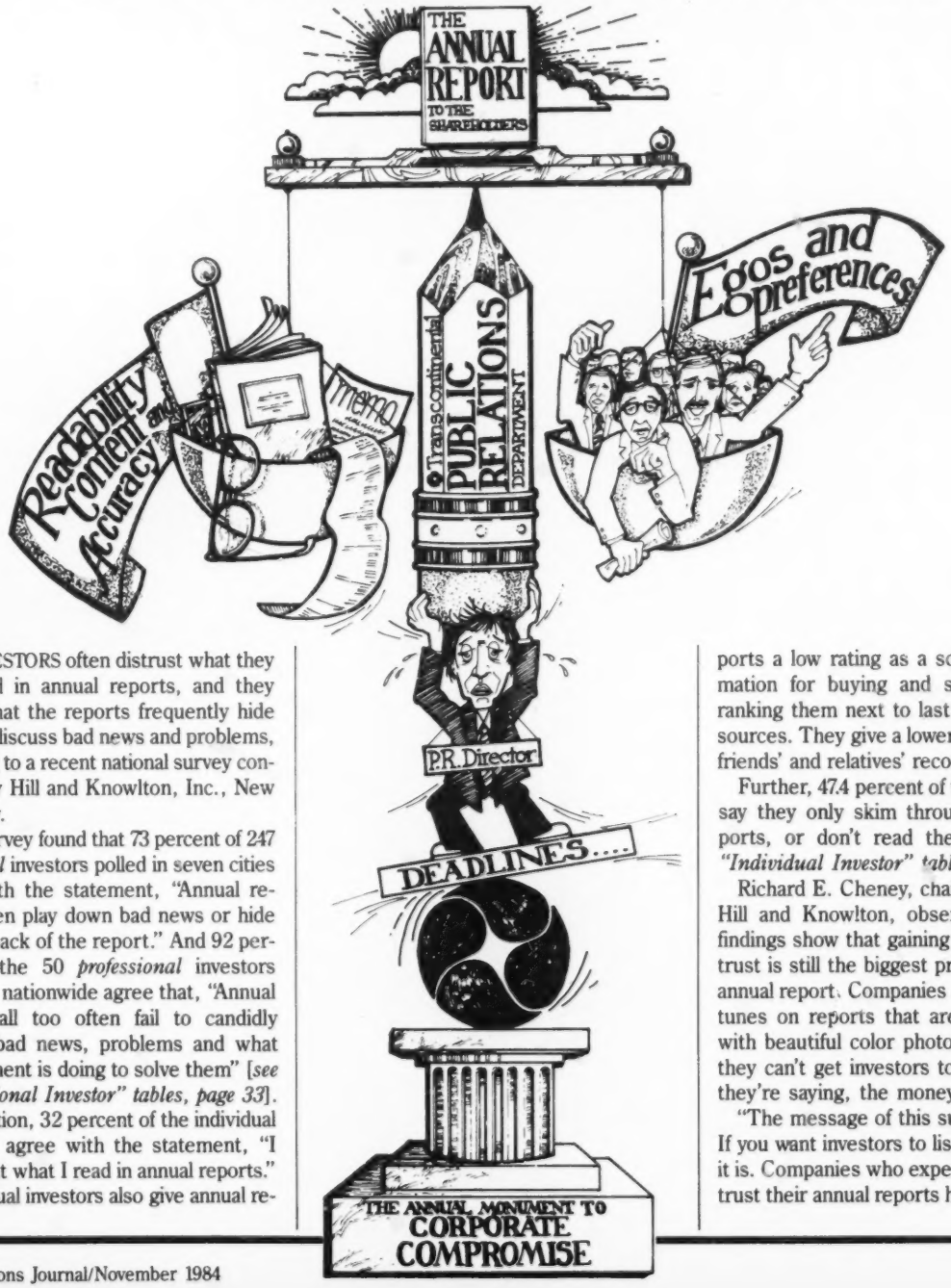


Illustration by Annette Yeakes

INVESTORS often distrust what they read in annual reports, and they believe that the reports frequently hide or fail to discuss bad news and problems, according to a recent national survey conducted by Hill and Knowlton, Inc., New York City.

The survey found that 73 percent of 247 *individual* investors polled in seven cities agree with the statement, "Annual reports often play down bad news or hide it in the back of the report." And 92 percent of the 50 *professional* investors surveyed nationwide agree that, "Annual reports all too often fail to candidly discuss bad news, problems and what management is doing to solve them" [*see "Professional Investor" tables, page 33*].

In addition, 32 percent of the individual investors agree with the statement, "I don't trust what I read in annual reports."

Individual investors also give annual reports a low rating as a source of information for buying and selling stocks, ranking them next to last among seven sources. They give a lower rating only to friends' and relatives' recommendations.

Further, 47.4 percent of the individuals say they only skim through annual reports, or don't read them at all [*see "Individual Investor" tables, page 32*].

Richard E. Cheney, chairman, U.S.A., Hill and Knowlton, observed: "These findings show that gaining the investor's trust is still the biggest problem for the annual report. Companies can spend fortunes on reports that are 'glossed up' with beautiful color photographs, but if they can't get investors to believe what they're saying, the money's wasted.

"The message of this survey is clear: If you want investors to listen, tell it like it is. Companies who expect investors to trust their annual reports had better deal

candidly with bad news up front, spell out their future plans on the record, and tell investors how well they did at achieving what they set out to do in previous reports."

Not too detailed

Contrary to much recent opinion, investors do not find annual reports too detailed. Fifty-eight percent of the individuals find annual reports easy to read and understand. And in naming ways in which reports could be most useful to them, professional investors indicate "disclose as many details and numbers as possible" as their second choice.

The professionals' first choice for making reports most useful is to "present the business in a segment-by-segment format." The professionals—security analysts serving on corporate information committees and subcommittees of the Financial Analysts Federation—criticize companies' business-segment disclosure, with 76 percent of the sample agreeing with the statement: "All too often, annual reports fail to display business-segment numbers prominently and clearly."

Professionals place business-segment information second—right behind the financial statements—in ranking the elements of an annual report in order of importance.

The professionals also think annual reports come up short in providing several kinds of information they use in assessing a company's future: 56 percent agree with the statement, "Annual reports all too often fail to clearly present management's goals and strategy"; 92 percent believe reports all too often fail to present information on a company's competitive situation in its various businesses; and 62 percent agree that annual reports too often fail to clearly discuss the outlook for the coming year.

Improvements in quality

While investors register something less than complete satisfaction with annuals, printers that specialize in this area report that graphic sophistication is on the upswing.

For example, according to Graphic Arts Center (GAC), Portland, Oregon, a leading annual report printer, the quality is no doubt heading upward, with additional special colors and graphic techniques throughout the financial and management sections. "A few years ago," GAC's Director of Marketing Ned Malcolm explains, "full-color photographs and charts were thought of as being the epitome of sophisticated annual-report design. Then came the push from designers for additional special colors, varnishes and other special graphic elements. This has also boosted the sale of multiunit sheet-fed and web offset presses beyond manufacturer's predictions.

"There is also a widespread use of premium grades of glossy coated stocks for better reproduction. Paper mills throughout the United States that make these premium grades have found it necessary to place this particular tonnage on allotment to printers. The supply/demand of coated grades during the months of February and March (when most annual reports are printed) puts a heavy burden on paper merchants and printers alike to respond to their clients' demands for the best possible reproduction."

These and other observations are based on GAC's recent study of 457 annuals for 1983 from companies in the *Fortune* 500, the *Forbes* list of companies, and small entrepreneurs in the early stages of corporate growth. The reports were divided by the companies' price/earnings (P/E) ratios, from zero through 30 percent in 5 percent increments, and then examined in terms of size, number of pages, colors and stock—10 different categories in all.

The average number of pages, too, is increasing, according to Mr. Malcolm. In a study completed four years ago, GAC found annuals running 36 pages, compared with 40 pages plus covers today. "Not too surprising, in the wake of Securities and Exchange Commission requirements for more disclosure information, larger type faces, more space between lines, and the number of uses companies now find for their annual reports," he explains.

Companies showing a minus P/E produced the leanest annual reports, the study shows, and healthier companies were far more extravagant with oversized reports and additional colors.

The largest annual report, 102 pages, was produced by Warner Communications; the smallest, 12 pages, by Nationwide. Apparently, profit or loss did not form the basis for design considerations; some companies that showed a minus on the balance sheet produced annual reports with 60 pages.

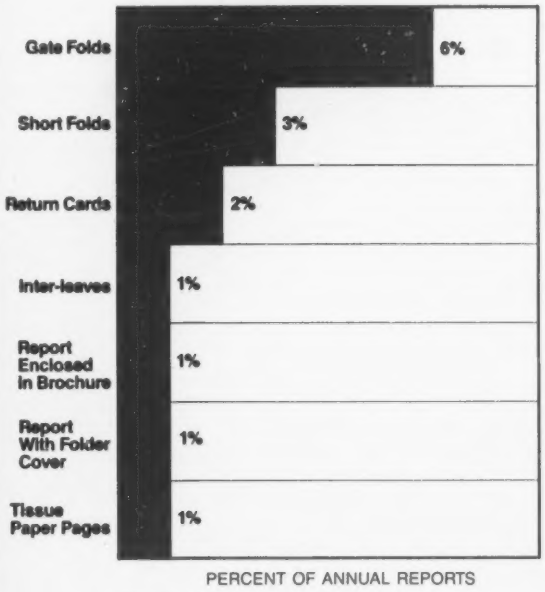
"The annual reports reviewed in this study reveal an interesting level of sophistication in the communication of a wide variety of ideas, events and facts to audiences with even wider ranges of interests.

"Merge these talents with the rampant advancements in printing technologies, premium coated papers and computer-

INDIVIDUAL INVESTOR REACTIONS

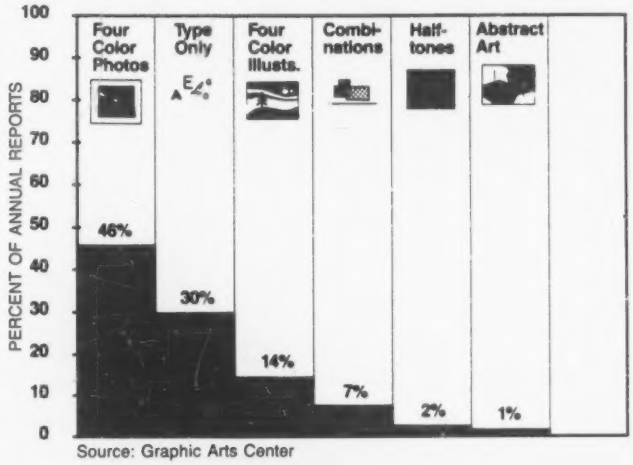
	Percent Responding
Deal with reports by:	
Studying them	18.2
Reading them	32.8
Skimming them	42.5
Ignoring them	4.9
Don't know/no answer	1.6
Detail in reports is:	
Too little	14.2
Enough	47.0
Too much	28.7
Don't know/no answer	10.1
Reports are easy to read:	
Agree	57.9
Disagree	36.0
Don't know/no answer	6.1
Reports reveal company's personality:	
Agree	49.4
Disagree	43.3
Don't know/no answer	7.3
Reports often too promotional:	
Agree	58.3
Disagree	34.0
Don't know/no answer	7.7

WHAT PERCENT OF SPECIALTIES ARE USED?



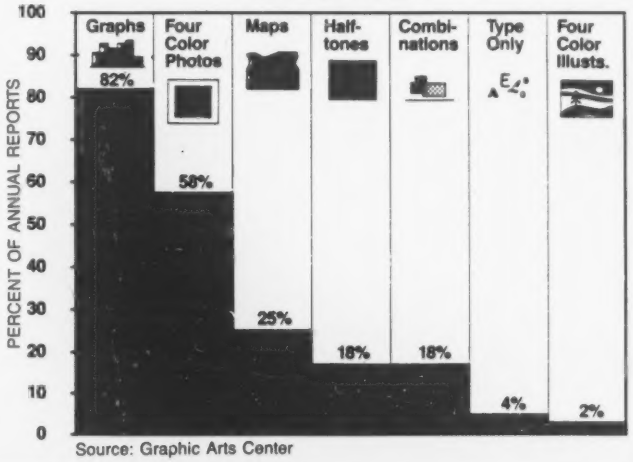
Source: Graphic Arts Center

WHAT KIND OF COVER DESIGN IS MOST FAVORED?



Source: Graphic Arts Center

WHAT KIND OF ART OR GRAPHICS IS MOST FAVORED FOR TEXT PAGES?



Source: Graphic Arts Center

PROFESSIONAL INVESTOR REACTIONS

Reports are essential:	Percent Responding
Basically agree	100.0
Basically disagree	0.0

Best information sources:	Importance Rating (%)*
Management interviews	92.2
Annual reports	80.0
10K, other SEC documents	74.5
Analysts meetings with management	67.1
Fact books	64.9
Media articles	51.6
Other Wall Street reports	47.2

**Respondents indicated multiple choices*

Annual reports fail to:	Percent Agreeing*
Display business segment numbers prominently and clearly	76.0
Candidly discuss bad news	92.0
Present information on company values	58.0
Give company's competitive situation	92.0
Clearly discuss current-year outlook	62.0
Clearly present goals/strategy	56.0

**Respondents indicated multiple choices*

Most important sections are:	Importance Rating (%)*
Financial statements	95.0
Business segment information	93.3
Financial review	87.0
Five- or 10-year financial summaries	86.8
Management's analysis	80.8
Review of the year	77.8
Quarterly summaries (two years)	73.8
Accounting policy	73.5
Financial highlights	70.4
Letter to shareholders	69.4

**Respondents indicated multiple choices*

operated typography and the result is a 20th century phenomenon: a corporate art form destined for a preeminent niche in American culture," Mr. Malcolm concludes.

Summary of findings

The GAC study also revealed the following:

Dimensions. Basic catalog size (which averages around 8½ inches by 11 inches) was the preferred size for 1983 annual reports (86 percent of respondents). This format files better, and both web and sheet-fed printing presses are designed to produce this size more economically than other formats. Larger reports accounted for 11 percent of the 457 reports studied, and smaller sizes made up the balance.

Pages. The average annual had 40 pages plus covers. The management discussion and financial review each averaged 20 pages, with a high of 44 pages and a low of eight for the former and 41 high and eight low for the latter.

Stock. Coated stock, both glossy and dull, was preferred by most companies for both report covers (90 percent) and pages (89 percent). Most covers were coated on both sides.

Binding. Saddle stitch was the most popular method of binding (61 percent), with adhesive binding second (26 percent), which correlated with the average number of pages. Double stitching was third (12 percent), spiral, Wire-O and GBC binding were used rarely (1 percent).

Specialties. Included different weights of stock, short folds, gate folds, interleaves, and reports placed in pockets of full-color brochures, inside folders or in protective covers. Only 64 companies (14 percent) used even one of the seven specialties: gate folds were used most often (6 percent of reports); short folds, 3 percent. Enclosed return cards and surveys were used by 2 percent; interleaves, folder covers, reports enclosed in brochures, and lightweight stock by 1 percent.

Color on covers. Four-color process and more than four colors were equally preferred (35 percent) by companies in all P/E ratios, with less than four colors close behind at 30 percent. The reason could be that many companies preferred to use a special effect such as foil or embossing on their covers. Within the more-than-four-colors category, five colors dominated (25 percent), followed by six colors (7 percent) and more than six colors (3 percent).

Color management review. More-than-four-color printing was preferred by a majority of the companies for their management reviews, with five colors again dominating (30 percent). Printing with six colors was second (26 percent), followed by more than four colors (19 percent) and four colors (16 percent). More than six colors was again the least preferred (9 percent).

Color in financial section. A surprising number of companies continued to use color in their financial sections, printing in more than four colors (77 percent). No other color category accounted for more than 15 percent. Less than four colors was the second choice (13 percent), followed by four colors (10 percent) and five colors (9 percent). Six colors were used by 3 percent and over six colors by 1 percent.

Graphics for covers and pages. Companies studied chose four-color photography most often for both covers (46 percent) and inside pages (58 percent). Second choice for covers was type (30 percent), while one-color halftones and a combination of artwork such as photographs and halftones tied for second place for inside pages with 18 percent. For covers, the combination of artwork was the third choice (7 percent), followed by one-color halftones (2 percent) and abstract art (1 percent). Diagrams and color graphs continued to be very popular for graphic emphasis (82 percent), while maps were used less often (35 percent).

Cover special effects. These included blind embossing, die cutting, silver and gold foiling, or a combination of these. Only 15 percent used these effects, and the most popular was blind embossing of either the company name and/or logo (8 percent). ■

THE PUBLIC RELATIONS ROLE

Public relations firms and advertising agencies continue to have little impact in the annual report market, according to the second annual survey conducted by Bradley Printing Company, Des Plaines, Illinois.

Internal staffs of most companies (85.2 percent) continue to write their own copy. Free-lance writers (used by 7.3 percent of respondents) continue to be the largest outside source, followed by public relations firms (5.4 percent) and advertising agencies (1.2 percent).

Decision-making criteria and opinions were sought from *Fortune* 500 companies and 88 other publicly held companies in the Midwest on annual report production, printing, and distribution. The 24.2 percent response this year was down slightly from last year's 25.4 percent.

Other information from the survey:

- Aside from shareholders, employees (by 27.6 percent of respondents), the media (17.7 percent), and colleges and schools (14.1 percent) receive the most reports.
- Companies are satisfied with the quality of their annual reports. Even with a larger budget, 61.9 percent would maintain their report's quality at the present level, up from 43 percent last year.
- The number of reports produced in less than four colors (14.9 percent) remains essentially the same, but the number produced with more than four colors (51.8 percent) is up.
- The total pages in annual reports will remain essentially the same, with only 7.9 percent indicating an increase in pages for the coming year.
- The need for better quality paper does not appear to be any concern; 95.6 percent of respondents are satisfied with the sheet they are now using, up from 88.6 percent a year ago.
- The message that companies want to communicate continues to be the major factor in determining the size, content, format and quality of annual reports, with production costs a very distant second.
- The use of special production features in annual reports increased considerably: press varnish by 73.6 percent, up from 50 percent last year; embossing by 12.8 percent, up from 5.2 percent; gatefolds by 10 percent, up from 7 percent; and foil stamping by 2.7 percent, up from 1.2 percent.
- Enhancement of the company image (selected by 33.7 percent of respondents) remains the most important benefit derived from the publication of the annual report, followed by its value as a public relations tool (30.8 percent). ■

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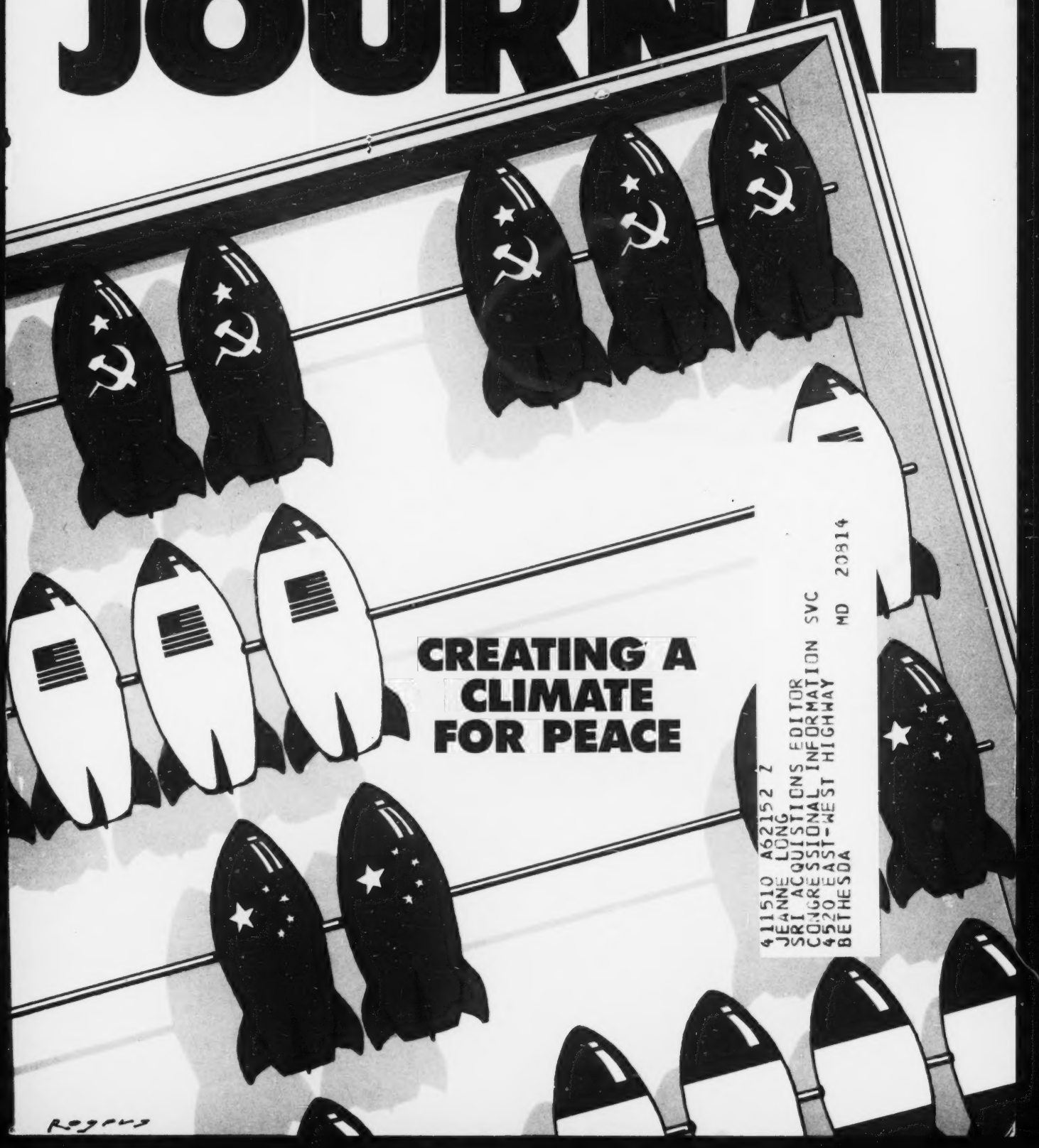
December 1984 PRSA Conference Report

PUBLIC RELATIONS JOURNAL



CREATING A CLIMATE FOR PEACE

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JEANNE LONG
SRI ACQUISTIONS EDITOR
CONGRESSIONAL INFORMATION SVC
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

December 1984 Vol. 40 No. 12

PUBLIC RELATIONS JOURNAL

The Public Relations Society of America (PRSA) is an individual-membership professional society of 11,800 public relations practitioners. Its major services to members include programs of Professional Development and Accreditation, an Information Center, publications, tracking of issues of national concern, and promotion of ethical practice through adherence to PRSA's "Code of Professional Standards." PRSA's mission is, "To serve the public need for understanding and cooperation among its diverse interests by fostering high professional and ethical standards for all those practicing public relations."

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TYPOGRAPHER
Alan J. Farb

SUBSCRIPTIONS
Jane Mollyneaux
212-826-1750

ADVERTISING SALES
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212-826-1766

Ray Ruffio, New England Representative
RJR/East
23 Edith Lane
Wilton, CT 06897
203-762-1132

Classified
212-826-1750

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The **Public Relations Journal** (ISSN 0033-3670) is published monthly, except semi-monthly in September, by the Public Relations Society of America, 845 Third Ave., New York, NY 10022. The second issue in September is the **Directory** issue. Of the amount of dues paid by members of the Society, $14.00 is for a year's subscription to the **Journal**. Non-member domestic subscription rates: $28.00 a year; $51.00 for two years; $74.00 for three years. Foreign rates: $45.00 a year; $70.00 for two years; $95.00 for three years (all foreign rates include $15.00, which is correspondent's fee charged by U.S. banks to process foreign checks). Single copies $3.00 each. Second-class postage paid at New York, NY. **Postmaster:** Send address changes to the **Public Relations Journal**, 845 Third Ave., New York, NY 10022.

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Editorial offices: 845 Third Ave., New York, NY 10022, (212) 826-1757.

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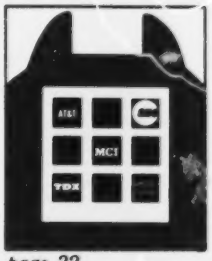

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Minnesota survey shows: "APR" a plus; women gain in numbers and pay

A recent salary survey of members of the Minnesota Chapter of the Public Relations Society of America (PRSA) documented several trends within the public relations profession in the U.S. These trends include a discrepancy between salaries paid to men and to women, the large numbers of women entering the profession, and the relationship between salary and accreditation.

Conducted by Carol Morgan Associates, a marketing communication and public relations firm in Minneapolis, with the assistance of Susan Heckler, an associate professor in marketing at the College of St. Thomas in St. Paul, the survey showed that women are making some important gains in public relations. However, a significant discrepancy still exists between salaries earned by men and women public relations practitioners.

The median salary of women respondents in 1983 ranged from $30,000 to $34,999. Men, meanwhile, reported an average salary of $45,000 to $49,999. When the data were submitted to a multiple regression, sex alone explained 16 percent of the variance between the salaries paid to men and women. Organizational characteristics, such as size and profit and not-for-profit status, may do more to explain the differences between the salaries paid to men and women. A large proportion of women (58 percent) reported earning less than $30,000, whereas only 16 percent of the men reported earnings of $30,000 or less.

On the bright side, however, the number of women earning $30,000 or more in public relations in Minnesota appears to be increasing. Comparing 1983 survey data with that from a similar survey we conducted in 1981, it appears that the percentage of women respondents in Minnesota earning $30,000 or more has increased by 31 percent. Also on the positive side, the number of women in the lowest salary category (less than $20,000) decreased by 14 percent in the same time period.

The size of staffs that are supervised by public relations practitioners appears to be increasing. In 1981, no women respondents supervised more than five professionals. However, in 1983 10 percent of the women supervised more than five professionals. The number of men supervising larger staffs decreased very slightly over the same period.

The Minnesota survey also showed

Salary by years of experience in public relations

Years	Mean salary for men	Mean salary for women	Overall mean salary
0 to 2	$20,000-24,999	$15,000-19,999	$20,000-24,999
3 to 5	$30,000-34,999	$25,000-29,999	$25,000-29,999
6 to 10	$40,000-44,999	$30,000-34,999	$35,000-39,999
11 to 14	$45,000-49,999	$30,000-34,999	$35,000-39,999
15+	$55,000-59,999	$35,000-39,999	$50,000-54,999

Results of Minnesota Chapter survey: 1983 figures show higher women's salaries than 1981.

that more women now report to a president (an increase of 6 percent from 1981) and fewer report to a vice president (a 5 percent decrease). However, the percentages of both men and women reporting directly to a chief executive officer declined, from 16 to 12 percent in the case of women, and from 17 to 9 percent in the case of men. The declines in a reporting relationship to the CEO may be significant for the professional status of public relations.

Approximately 30 percent of the survey respondents were employed in the profit sector in 1983, and 70 percent worked for not-for-profit organizations. The percentage of men working for not-for-profit organizations increased by 9 percent between 1981 and 1983; the percentage of women increased by 4 percent during the same interval. The distribution of respondents over various employment sectors showed no major changes between 1981 and 1983.

Survey results support the observation that more women than men are now entering public relations. Of the respondents to the survey, 49 percent were women. However, of those respondents under 30 years of age, 69 percent were women.

The decline of newspaper experience as a route to public relations was also noted. In 1981, 39 percent of the respondents had previously worked for a newspaper; by 1983 this figure had dropped to 23 percent.

The largest number of accredited respondents was found in departments with from two to five professionals (44 percent). More men (68 percent) than women respondents (32 percent) were accredited, thus demonstrating a statistically significant relationship between accreditation and higher salaries.

Carol M. Morgan
Carol Morgan Associates

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June 1985

Dissecting Corporate Cultures

PUBLIC RELATIONS JOURNAL

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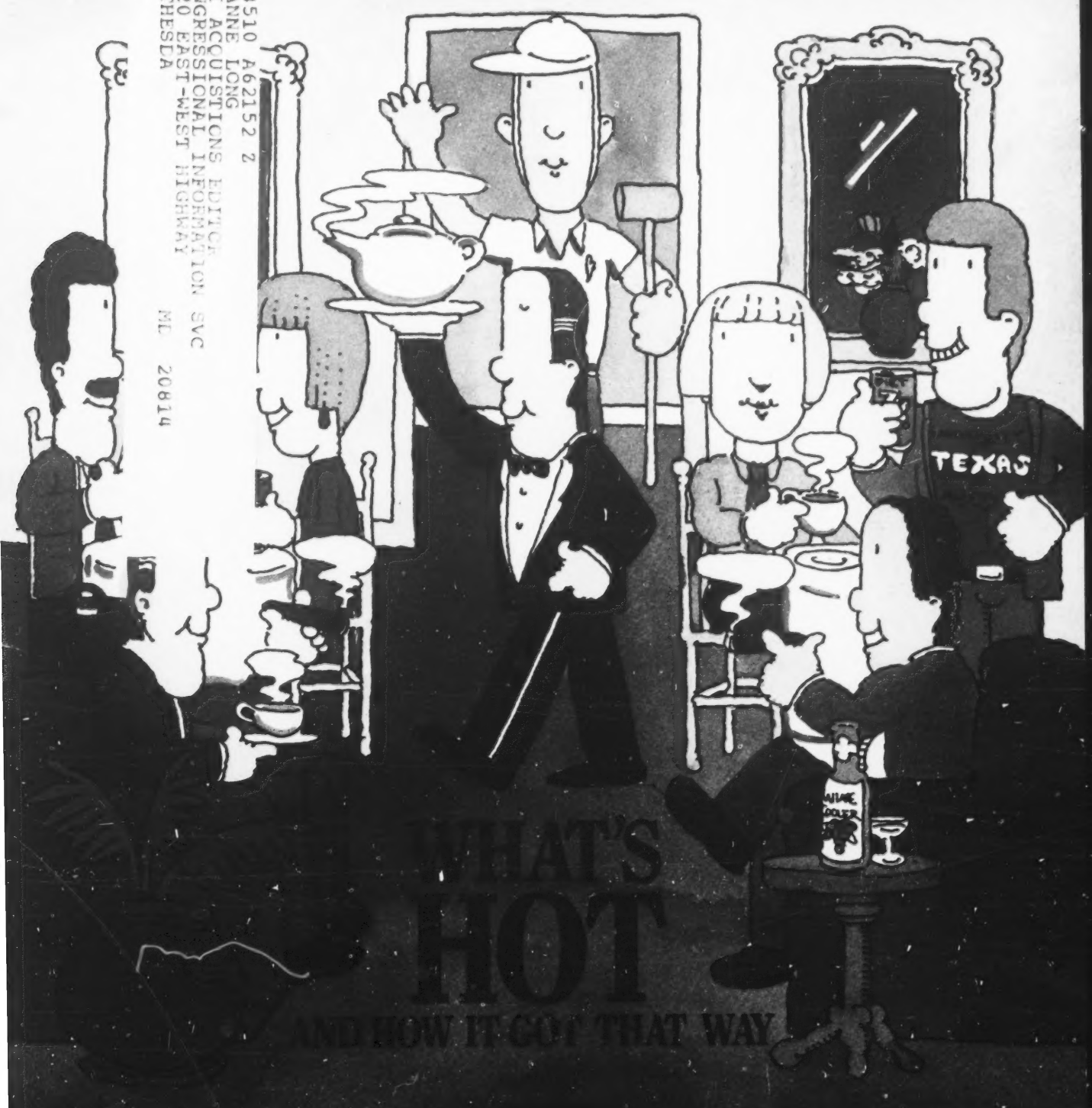
JEANNE LONG
SRI ACQUISITIONS EDITOR
CONGRESSIONAL INFORMATION SVC
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814



WHAT'S HOT

AND HOW IT GOT THAT WAY

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Cover: *Kimble Pendleton Mead*

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The *Public Relations Journal* is published by the Public Relations Society of America, 845 Third Avenue, New York, NY 10022.

SALARY SURVEY

by Celia Kuperszmid Lehrman

A salary survey is not a crystal ball. Reporting average salaries is a tricky business because determining what is average in a profession as diverse as public relations is difficult. To overcome this problem, we have tried to cover all the proverbial bases while being as specific as possible in reporting public relations salaries by industry, experience levels, and regions. Realizing that salary is not the sole criteria that practitioners consider, we have also included a chart on employment benefits. These figures offer no magic insight into what you should be earning, or paying, but rather an up-to-date picture of industry-wide conditions. Statistical information was supplied to *PRJ* by the PRSA Counselors Academy and by *PR Reporter.*

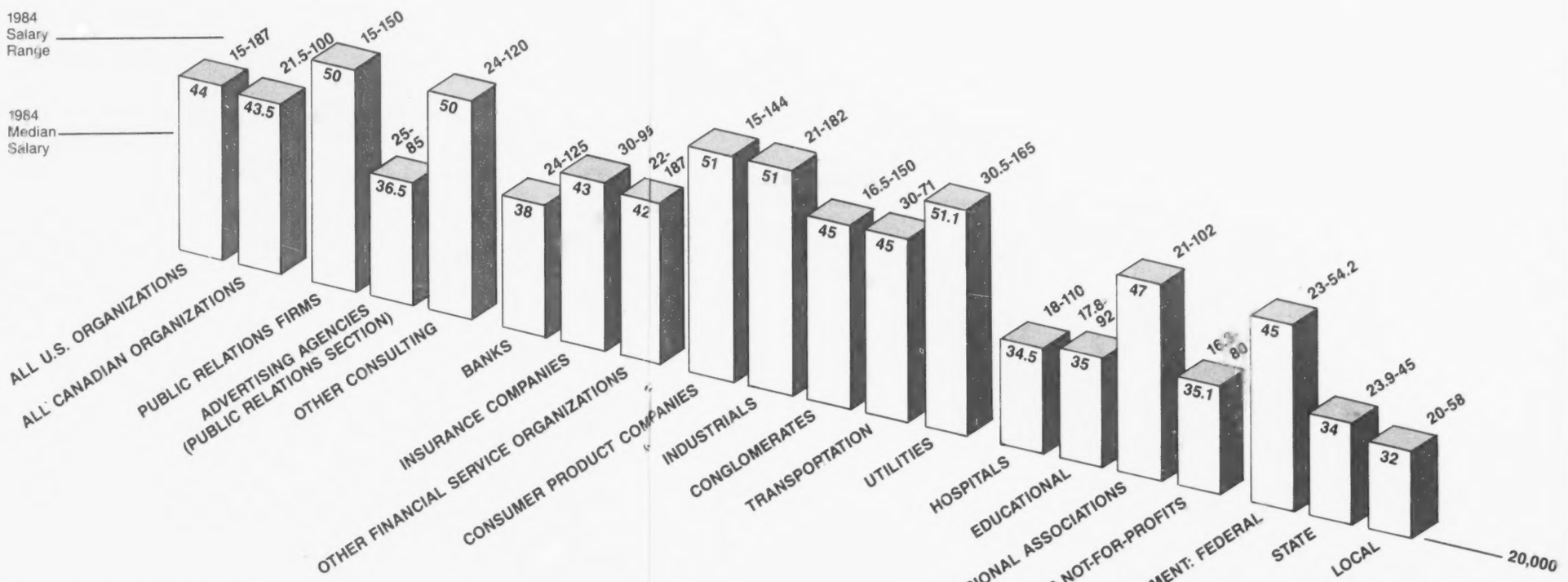
TABLE 1

Median Salaries of Supervisory Public Relations Professionals by Industry

In 1984, public relations practitioners generally received a $2,000 per year gain in median salaries over 1983 figures, with practitioners in consulting firms (+$10,000), utilities (+$7,600), the federal government (+$7,100), consumer-product companies (+$7,000), trade and professional organizations (+$7,000), transportation firms (+$3,300), and hospitals (+$2,700) faring best.

However, median salaries for public relations professionals did not rise in all industries. Due to a combination of factors including high turnover rates, an influx of younger practitioners, and competition from marketing professionals, median salaries are down in conglomerates (–$6,000), educational institutions (–$2,000), local governments (–$2,000), banks (–$2,000), insurance companies (–$1,000), and financial-service organizations (–$1,000).

All the above figures are based on a 1984 survey, by *PR Reporter,* of 4,400 senior practitioners.



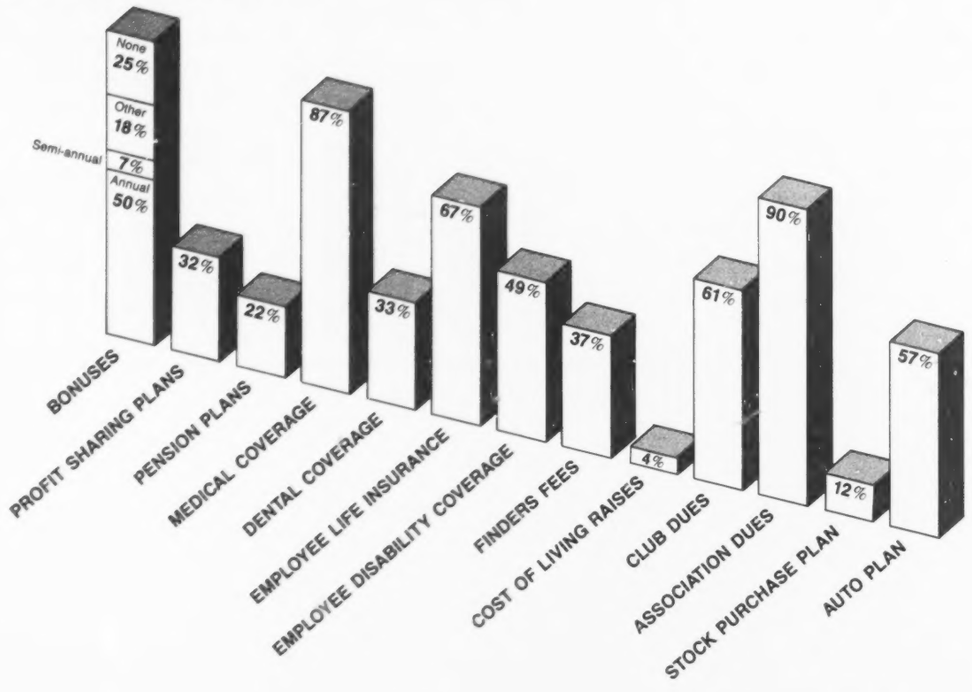
Note: Industry salaries include only U.S. salaries

Source: PR Reporter

Figures in the thousands

TABLE 2

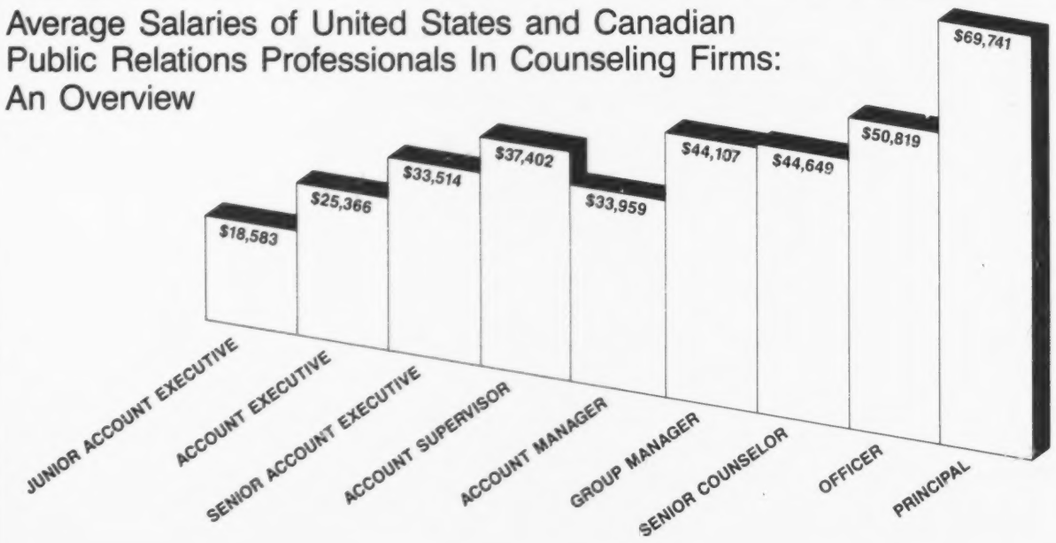
Employment Benefits Given In Counseling Firms: United States and Canada



Source: PRSA Counselors Academy

TABLE 3A

Average Salaries of United States and Canadian Public Relations Professionals In Counseling Firms: An Overview



Source: PRSA Counselors Academy

The figures in Tables 2 and 3 were taken from a 1984 survey, conducted by PRSA's Counselors Academy, of 354 public relations firms in the United States and Canada. Eighty-four percent of the respondents are from single-office firms, and 16 percent are from multiple-office organizations.

Many public relations firms offer monetary compensation in addition to salaries. Table 2 shows 75 percent of firms award bonuses—annual bonuses are the most popular distribution method; 32 percent offer profit-sharing plans; 37 percent give finder's fees; and 12 percent have stock-purchasing plans.

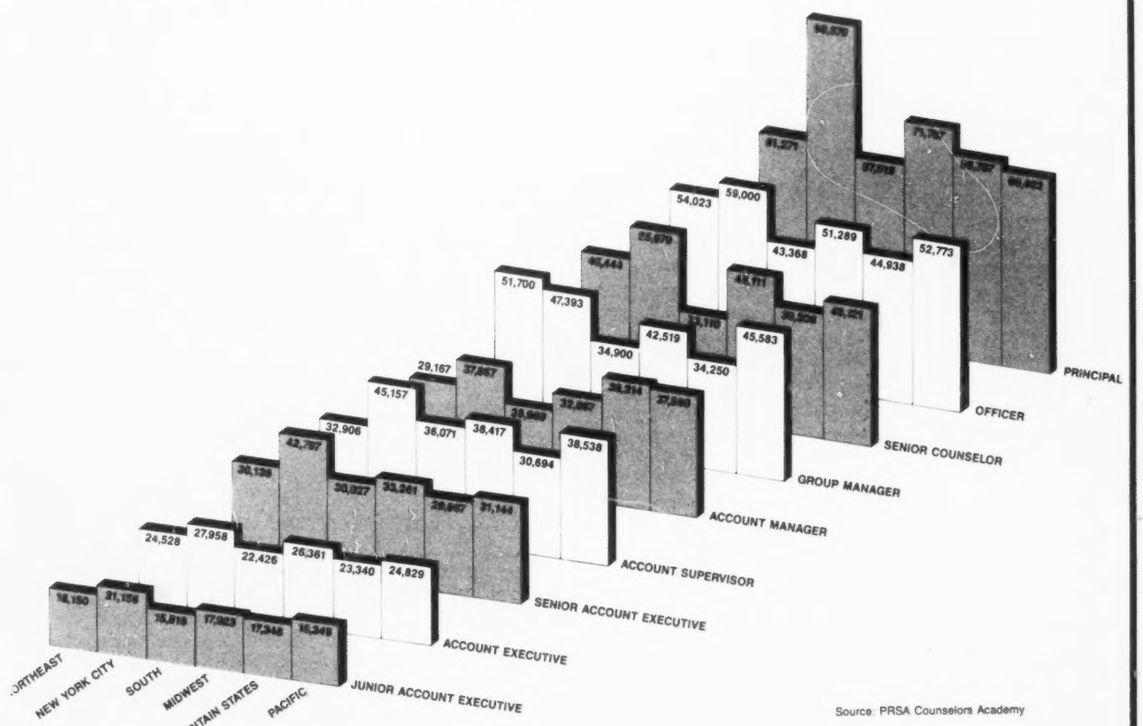
Experience and added responsibility pay, as Table 3A indicates. Beginning public relations professionals can expect their salaries to double or triple during their careers.

Regional salary variations, however, exist at every career level from junior account executive to principal in the firm. Table 3B charts these differences in nine experience levels in six regions across the United States. Not surprisingly, regional variations were most pronounced at the highest level with a $40,959 difference between the average highest and lowest-paid principals. ■

Celia Kuperszmid Lehrman is an assistant editor at the Public Relations Journal.

TABLE 3B

Average Salaries of United States Public Relations Professionals In Counseling Firms By Region



Source: PRSA Counselors Academy

August 1985

Purchasing Habits

PUBLIC RELATIONS JOURNAL

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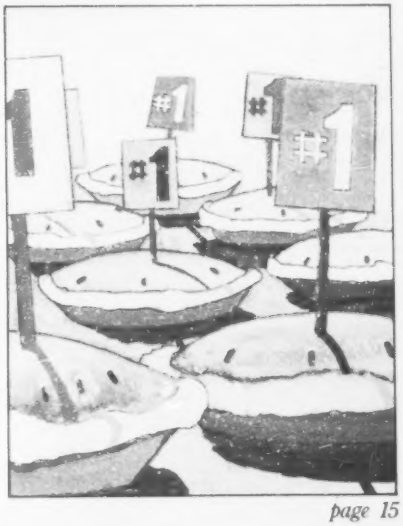
JEANNE LONG
SRI ACQUISTIONS EDITOR
CONGRESSIONAL INFORMATION SVC
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

FIRM MANAGEMENT

Positioning

PUBLIC RELATIONS JOURNAL

August 1985 Vol. 41 No. 8



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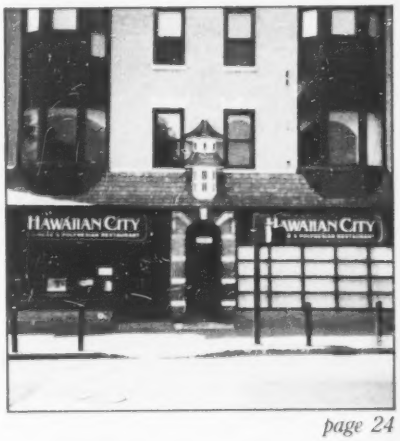

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Cover: *John Van Fleet*

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As they advance in their careers, most professionals find their days filled more with management issues than with the professional problems they were trained to solve. A short course in the management of public relations firms—with lessons for those who manage any organization. *By David Maister*

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Last February we surveyed our readers and discovered a number of important trends in what they buy and what purchases and decisions they influence. *By Celia Kuperszmid Lehrman*

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The *Public Relations Journal* is published by the Public Relations Society of America, 845 Third Avenue, New York, NY 10022.

THE BUYING HABITS OF PUBLIC RELATIONS PROFESSIONALS

A recent *PRJ* reader survey reveals who's buying what and why.

by
Celia Kuperszmid Lehrman

PUBLIC relations practitioners are engaged in an ongoing balancing act in which daily details often threaten to overwhelm vision. So to efficiently and creatively service their clients or companies, they must buy the products and services of others. No public relations professional or organization is an island—this makes them great consumers. But what are public relations people buying and why? Are they buying differently than they used to? Are they using goods and services in new ways?

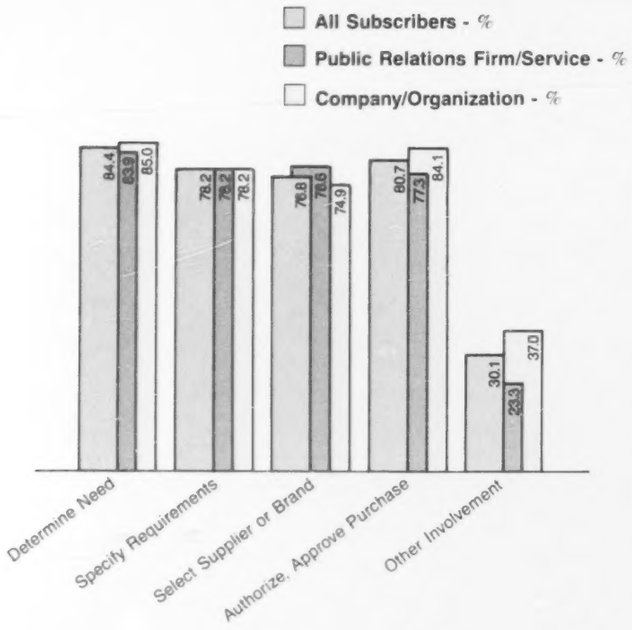
To find out the answers to these and other questions, *PRJ* commissioned Globe Research Corporation, an independent research company specializing in the magazine industry, to conduct a survey of our readers, both those who are PRSA members and those who are not. But as every journalist knows, facts and figures alone do not a story make. So we called upon some of our subscribers for their perceptions, insights, and comments. What follows is a profile of our readers and a compendium of what is on the typical public relations shopping list—and why.

More than half of the survey respondents work for independent public relations firms. The rest are employed by public relations firms that are subsidiaries of other corporations (14 percent), public relations departments of advertising agencies (20 percent), or are individual consultants (13 percent). Every type of industry and organization is represented by those polled, including industrial, manufacturing, and agricultural companies; utilities; scientific and technical firms; business and trade associations; wholesale and retail outlets; transportation, hotel, resort, and entertainment concerns; health-care services and real-estate companies; and the government and military. Overall, one-third of those public relations practitioners in corporations surveyed are employed by industrial/manufacturing companies and two-thirds by service organizations.

The average number of total employees in public relations firms in our study is 228, and the average number of public relations professionals in these firms is 33. For those working in other types of companies and organizations, the average public relations department consists of seven people.

Public relations professionals are influential within their organizations. Their positions require them to regularly counsel and meet with policy-making officials. Over 78 percent of practitioners questioned meet or counsel CEOs; 60 percent counsel chief operating officers; and 82 percent counsel other senior-management executives.

In addition, our study showed public re-



How Subscribers Are Involved in the Purchase of Products, Services, and Equipment

Base: All Subscribers
Source: Globe Research Corp., 1985

lations professionals are influential outside of their organizations. Sixty-four percent have given a speech or addressed a public meeting within the past year; 51 percent have written a book or article for publication within the last 12 months; and 68 percent were cited or interviewed by the print or broadcast media.

Over 43 percent of public relations-firm executives surveyed hold titles such as chairperson, president, owner, or partner, and over 16 percent polled in companies and organizations are vice presidents.

The average annual billings of public relations firms are over $1.8 million, and 10 percent bill $5 million or more. Annual public relations expenditures of companies and organizations average over $3.1 million, and 5.5 percent spend more than $10 million on activities, services, products, and equipment for public relations.

Although public relations is a blend of human and mechanical efforts, both the services public relations professionals offer and the tools they use to produce these services are changing. In addition to supplying press releases, acting as liaisons between their clients and the publics, and directing publicity and educational campaigns, public relations practitioners are increasingly responsible for all aspects of corporate advertising, graphics, spokesperson training, investor relations, recommending and selecting areas of client or corporate fundings and givings, direct-mail projects, educational brochures, and annual and quarterly reports and corporate-capabilities brochures. All of these require the purchasing of services.

Counseling firms are picking up business, on a project-by-project basis, from organizations with in-house public relations departments. "Corporate communications departments are running lean and mean, but all the services still have to be done. So they are going to outside firms on a piecemeal basis," says Mary Ann McCauley, vice president of corporate services, Brum & Anderson ExecuComm, a Minneapolis-based public relations firm.

The products public relations professionals are consistently buying are graphics, personal computers, computer accessories and software, printing services, audiovisual equipment, research, lists, mail and courier services, directories, alternative telephone services, and telephone equipment.

Technology and its by-products are being used to save time and money and to expand staff capabilities. Executives in public relations firms are keeping pace with their *Fortune 500* counterparts in buying and using computers and computer equipment. According to the "Trinet Executive Information Use Report," a survey of 100 top executives in the *Fortune 500* companies, one-third of senior executives and more than half of middle managers personally use computers for critical business decisions. Almost 46 percent of public relations practitioners in firms surveyed have used, recommended, or purchased a PC within the last 12 months; 37 percent use modems and other computer accessories; 45 percent use software; 27 percent use databases. Word-processing software is the most popular software purchase. "I bought our first computer four years ago when I set up this business," says Nancy Wolfe, APR, president, the Wolfe Group. "Since then we've bought computer accessories, software, databases, list-management systems, and modems."

Graphics software is being discovered and bought as graphics becomes a larger portion of the public relations-service pie. "Fifty percent of our projects have a graphic element," says Cynthia Pharr, principal, Pharr Cox Communications. "We're beginning to use computer graphics, and our use should increase as our familiarity with the software does."

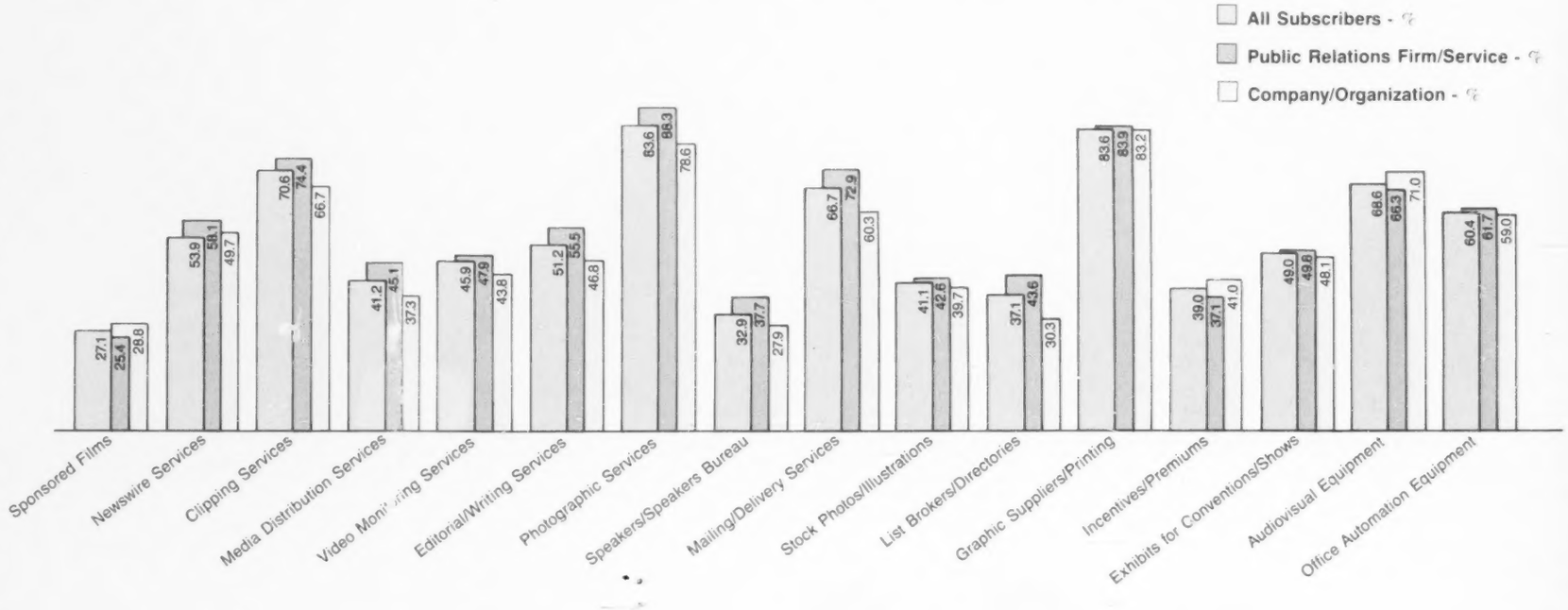
Large public relations firms and departments that find themselves consuming large amounts of graphics services are increasingly establishing in-house graphics facilities. Richard Weiner, Inc. recently started a separate company to handle its graphics operations. The American Cancer Society set up its own graphics department eight years ago to maintain greater control over costs and to ensure that printed materials remained consistent with its corporate image. "Demand for graphics has been accelerating; as we know more about graphics, we want to use it more," says Irving Rimer, APR, vice president of public information, American Cancer Society.

Audiovisual equipment remains an important public relations-organization purchase. Videocassette recorders are edging out slide and projection units as the AV equipment of choice. "I don't know of anyone who has purchased a projection screen in ages; they're becoming dinosaurs," says Pharr.

Smaller firms tend to rent audiovisual equipment instead of purchasing it outright. Some rent state-of-the-art equipment because its technology is upgraded so often, and buy less changeable items such as slide and overhead projectors. Firms that often make presentations on the road sometimes rent equipment on-site instead of bringing it from location to location. "Audiovisual equipment represents a tremendous capital outlay in relation to our needs, so we rent more often than buy," explains Wolfe. "We even rent good cameras," she adds.

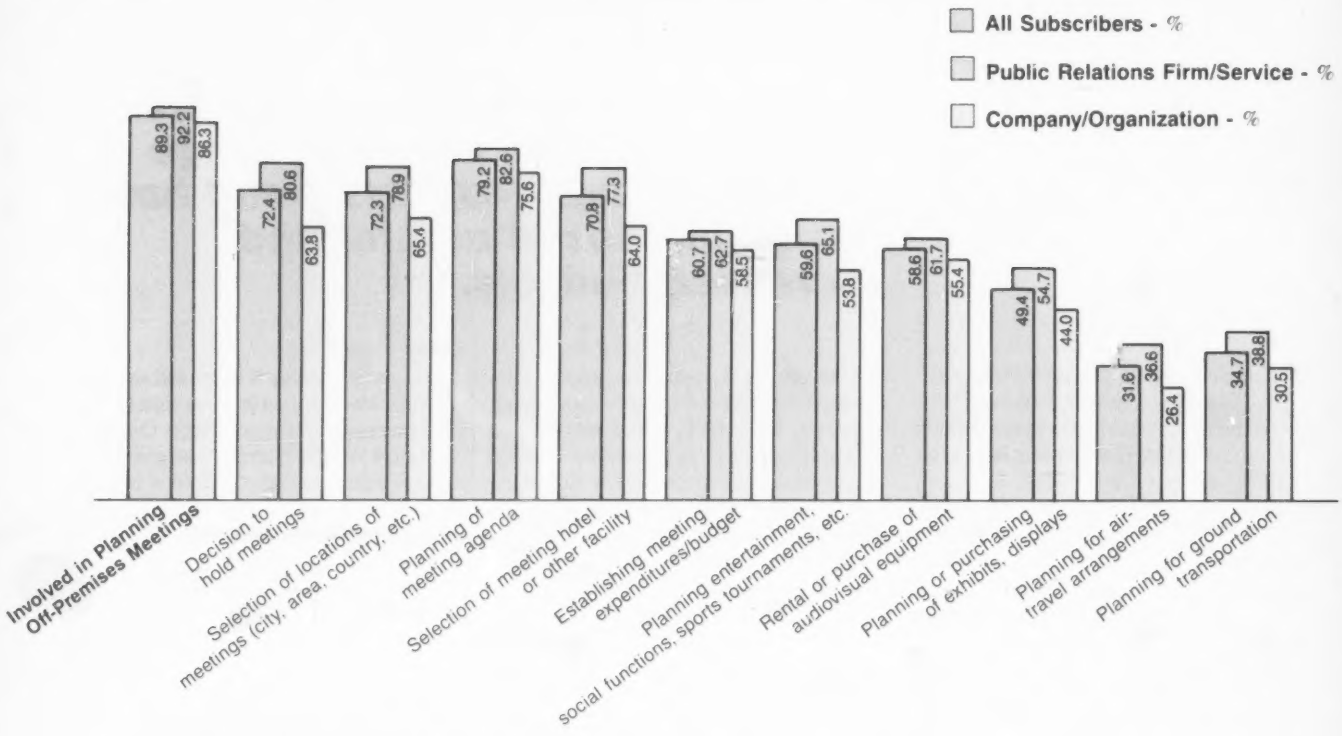
Research services such as surveys and studies and specialty public relations services such as investor relations, government relations, and spokesperson training are being sought out and purchased by many public relations companies, especially

Public relations professionals are responsible for a widening range of business decisions. This trend has meant increased control and increased budgets.



Used, Recommended, or Purchased by Subscribers' Organization in Past 12 Months

Base: All Subscribers
Source: Globe Research Corp., 1985



Functions Connected with Planning Off-Premises Meetings in which Subscribers Are Involved

Base: All Subscribers
Source: Globe Research Corp., 1985.

small firms. "Research and specialty public relations are important functions to buy," says Arthur Young, APR, president, Communication Management. "Larger firms like Hill and Knowlton have people to do these things, but smaller firms need to buy these services." However, even large organizations buy research. "We've been buying more studies, more data," says Rimer. "We're contracting attitudinal, participatory, and awareness surveys from companies like Gallup and Leo Schapiro and Associates, as well as studies that check accountability."

Public relations professionals have a strong voice in public affairs and corporate advertising. An overwhelming 77 percent of practitioners surveyed said their organization has done public relations-related corporate advertising in the last year. They are responsible for media evaluation and selection. They control substantial public relations advertising budgets, averaging $826,000 ($770,000 for public relations firms and $905,000 for companies and organizations). Almost 20 percent are responsible for budgets of $1 million or more.

Nearly all public relations professionals are involved in planning off-premise meetings—seven per year on the average. These events are held in all types of facilities—from conference centers and downtown hotels to colleges and universities to private clubs and cruise ships.

These meetings are usually large, with 139 people in attendance on the average, and they are often long. More than seven out of ten public relations practitioners coordinate the planning of events that require overnight accommodations. And according to many of the public relations professionals we spoke with, that involvement is growing. Says Richard Weiner, "The most effective form of communications remains in-person communications. Nothing is as effective as talking to a person or a group of people. As we get larger we rely more on the telephone or the mail; video telephone has not really arrived. That's why meetings and conventions still take place. And as we get more involved in sales promotion and other activities, we are more involved in the running of meetings."

Public relations professionals are responsible for a wide range of business decisions, some as specific as which newswire service to transmit news releases on, and some as generalized as how to best utilize their staff's time. Many areas formerly thought to be within the bailiwick of other companies or departments, corporate advertising and investor relations for example, are now also being handled by public relations practitioners. Increased decisions in many cases has meant increased control and increased budgets. Martin S. Walker, vice president of Periodical Services Studies, a magazine consulting firm, says of *Public Relations Journal* subscribers: "They are very involved in major purchasing decisions; they are not just sitting out in left field." ■

Celia Kuperszmid Lehrman is an assistant editor at the Public Relations Journal.